

Finance Committee Report

April 01, 2014

A Finance Committee meeting was held Tuesday, April 01, 2014, at 6:00 p.m. in the County Administration Building, Quorum Court Meeting Room, 215 East Central, Bentonville, Arkansas

Committee Members Present: Allen, J. Harrison, Chiocco, Curry, Moore, Moehring
Absent: *Jones

Other's Present: JPs Anglin, Hernandez, McKenzie, County Judge Bob Clinard, County Attorney George Spence, County Clerk Tena O'Brien, Assessor Glenn "Bear" Chaney, Treasurer Deanna Ratcliffe, Circuit Clerk Brenda DeShields, Collector Gloria Peterson, Coroner Daniel Oxford, Circuit Judge Doug Schrantz, Public Defender Jay Saxton, Administrator of Public safety Barbara Ludwig, Comptroller Sarah Wilson, Accounting Manager Mike Crandall, Grants Administrator Glenda Downing, Director of Information Technologies Eddie Mahar

Media: Tom Sissom

Chair JP Allen called the meeting to order.

Public Comment

1. Grants Administrator Report

Grants Administrator Glenda Downing reported that: 1) the application for the Department of Justice – Coverdell Forensic Science Improvement 2014 Grant for \$23,744, has been submitted; 2) the Adult Drug Court application has been submitted for \$200,000 with 25% in-kind match of \$66,667; 3) the Courthouse Restoration Grant has been submitted for \$188,112; these monies will provide security cameras, protective glass, security wands, and a metal detector and requires no county match; 4) the State of Arkansas Voting System Grant for \$15,270,711 has been awarded.

Chair JP Allen stated that Items "3" and "9" have been removed from the agenda.

County Judge Bob Clinard announced that Superintendent of Bentonville Schools Michael Poore is unable to attend this evening. He stated that Mr. Poore will present the Centerton School Road Study at the April 11, 2014 Committee of the Whole meeting.

2. Resolution Request – FY2015 S.T.E.P. Grant.

Accounting Manager Mike Crandall stated that this resolution request is to apply for the FY 2015 S.T.E.P. Grant, to aid increased traffic, DUI, and seatbelt enforcement. He stated that this program may not exceed \$106,000 in grant funds and that the county will satisfy the 50% match with in-kind services provided by existing Sheriff's Deputies.

JP Moore made motion to approve and forward to the April 08, 2014 Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

3. Removed from agenda

4. EMS \$257K Discussion

JP Allen stated that the Finance Committee had asked that the Elected Officials find ways to cut their budgets, and that they are present to answer any questions.

Comptroller Sarah Wilson stated that the general response received from the Elected Officials was that their budget had been cut to the bare bones during the budget process. She stated that there is approximately \$90,000 in personnel costs that has been saved through March 31, 2014, and that pro-rated out conservatively the rest of the year, they could save \$150,000, that could be available to use toward EMS funding. She added that the county has about \$16 million in reserves.

JP Allen stated that unspent personnel funds cannot be spent anywhere else, and they know they have the money and should go ahead and use the taxpayers money for something they know is important.

JP Moore stated that unspent money in personnel is the bulk of the returned appropriations every year and that this year, we used the bulk of it to settle up the previous year's bills, and that the unspent appropriations this year was essentially zeroed out. He stated that the unspent appropriations are just a mirage, and that it looks like a nice beautiful, lake, until you get closer and it disappears.

Lengthy discussion was held on not filling open positions, and using designated funds not spent for personnel toward the \$257,000 needed to pay for Emergency Medical Services (EMS).

JP Curry made motion to withdraw \$257,000 out of the reserve fund to fund Emergency Medical Services (EMS) for the remainder of 2014, and then replenish reserves with whatever savings source that they may have and forward to the April 08, 2014 Committee of the Whole agenda, seconded by JP Chiocco.

JP Allen stated that they should continue looking a personnel, equipment, and travel expenses.

After further lengthy discussion on withdrawing funds out of reserves to fund Emergency Medical Services (EMS), a show of hands vote was taken:

Motion passed by a show of hands vote (4 yeas – 1 nay (Moehring) – 1 absent – (Jones)

JP Moore made motion to propose a resolution stating that it is the Quorum Court's intent not to fund any new positions or major expenditures mid-year, and forward to the April 08, 2014 Committee of the Whole agenda, seconded by JP Chiocco.

*JP Jones entered the meeting.

Motion passed – (6 yeas – 1 abstain (Jones)

5. Discussion – Sheriff’s Administration Building Repair

County Judge Bob Clinard stated that an engineering firm has been hired and that they will recommend what actions to take to clean up and remove the mold damage in the offices of the Benton County Sheriff’s Office. He stated that the project should go out for a bid in May.

6. Appropriation Ordinance Request – Dept. 0100, County Judge, Fund 1000

Sarah Wilson stated that this appropriation ordinance request for \$20,000 is to be used to replace the County Administration Building Fire Alarm System.

JP Jones made motion to approve and forward the appropriation ordinance request to the April 08, Committee of the Whole agenda, seconded by JP J. Harrison.

Motion passed by unanimous show of hands vote.

7. Appropriation Ordinance Request – Dept. 0400, Sheriff’s Drug Control, Fund 3015

Sarah Wilson stated this appropriation ordinance request is to transfer \$9,600 from “Other Miscellaneous Operating Supplies” to “Machinery and Equipment (Capital)” for the purchase of a Narcotic Wire system.

JP J. Harrison made motion to approve and forward the appropriation ordinance request to the April 08, Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

8. Appropriation Ordinance Request – Dept. 0115, Information Systems, Fund 1000

Mike Crandall stated that this appropriation ordinance request is to transfer \$10, 5000 from Small Equipment to Capital for replacement of a wireless controller for the Information Systems Department.

JP Jones made motion to approve and forward the appropriation ordinance request to the April 08, Committee of the Whole agenda, seconded by JP Curry.

Motion passed by unanimous show of hands vote.

9. Removed from agenda

10. Discussion – Ordinance 99-41

JP Allen stated that Ordinance 99-41 provides that the sales tax monies coming into the County General Fund on an annual basis are more than enough to attain the amount required to be transferred to Capital Project Fund and that Section 2-407 of the Code of Ordinances of Benton County currently provides a mandatory transfer of funds each month. He stated that Section 2-407 states that each month the County Judge shall transfer funds from the County General Fund to the Capital Projects Fund an amount equal to at least ten percent (10%) of funds received from the Arkansas Department of Finance and Administration. JP Allen asked if they want to keep Section 2-407 as it is now, or modify it.

Sarah Wilson stated that currently they are transferring 10% of the sales tax revenue into Capital Projects each month until they hit the budgeted transfers of \$625,000.

Lengthy discussion was held to amend Ordinance 99-41, and Section 2-407 in the code book to change the verbiage of the mandatory transfer of funds each month made to the Capital Projects Fund.

JP Curry made motion on amending Ordinance 99-41, Section 2-407 to read “that at least ten percent (10%) but not less than \$625,000 or whichever amount is grater, unless a specific lesser amount is designated by the Quorum Court in the annual budget” and forward as amended to the April 08, 2014 Committee of the Whole agenda, seconded by JP Jones.

Motion passed by unanimous show of hands vote.

Sales Tax Numbers

Sarah Wilson reported that January sales tax receipts were down 19.01% for the month, and year to date down 11.25%. She stated that they are down \$205,994 from the end of March over last year.

JP Allen stated that winter weather may have caused the drop in revenue and milder weather will encourage residents to make purchases they may have delayed.

JP Moehring stated that he is optimistic revenue can rebound from its slow start, and that they definitely have some ground to make up.

Jail Collections

Sarah Wilson reported that Jail Collections were \$280,764 for March and \$408,301 for the year. She stated that \$1.5 million was budgeted for 2014.

Fuel Analysis

Mike Crandall reported that the Road Department is at 18% of their fuel budget, while the Sheriff's Department is at 26% of their 2014 budget. He stated that average unleaded fuel costs have decreased 3.6% to \$3.15, and that diesel has decreased 8.4% to \$3.17 per gallon. He stated that year-to-date, \$27,695 has been transferred back to the Road Department.

Monthly Fund Summary

Mike Crandall reported that they should be at 25% and that the General Fund is at 24.13% and the overall budget is at 22.45%.

Overtime Analysis

Sarah Wilson reported that the Overtime Analysis looks good.

Coroner Daniel Oxford reported that 404 calls have been made to date and 335 last year to date. He stated that the per-call deputies have responded to 166 of these calls.

Other Business

JP Allen announced that a Budget Finance Committee meeting will be held Tuesday, April 22, 2014 at 6:00 p.m.

JP Allen announced that a working Legislative Committee will be held Thursday, April 17, 2014 at 6:00 p.m.

Public Comments

None

Meeting adjourned at 8:10 p.m.